(b) the norms, criteria, and procedure for distribution and marketing in respect of by-products being followed by SAIL, its subsidiaries and VSP are as below:—

SAIL including subsidiaries	VSP
Coal Chemicals	
85—90% of these by-products available are sold under long term contracts, under a Committed Supply Scheme (CSS).	Ammonium Sulphate is distributed through dealers, possessing registration certificates under Fertilizer Control order. Crude Tar is sold against open tenders some quantities are sold to sister steel plants also.
The balance 10 to 15% products (ad-hoc availability) are sold to consumers, who have registered their demand with SAIL, based on their past three years' off-take from SAIL.	
10% of the ad-hoc availability is allocated to local consuming industry on preferential basis.	
Whenever ad-hoc availability is higher than registered demand, surplus quantities are sold to interested customers.	

Upgradation of Salem Steel Rolling Mills

2405. SHRI TINDIVANAM G. VENKATRAMAN: Will the Minister of STEEL be pleased to state what are the reasons for not upgrading Salem Steel Rolling Mills as Steel producing unit?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SONTOSH MOHAN DEV): Steel Authority of India Limited and Government are of the considered view that further development of Salem Steel Plant will have to be gradual and effected in stages. Accordingly installation of the Second Senzimir Cold Rolling Mill has been completed in March 1991. Thereafter a scheme for installation of hot rolling facilities envisaged to cost over Rs. 425 crores and to go into production in April, 1995, has now been approved by Government in April, 1991. Production from the facilities existing and now being installed at Salem Steel Plant will have to get stabilised before the next stage of the plant development is taken up.

Shortage of Coking Coal in Bokaro and Bhilai Steel Plants

2406. SHRI KRISHNA KUMAR BIRLA: Will the Minister of STEEL be pleased to state:

(a) whether it is a fact that the Bokaro and Bhilai Steel Plants of the Steel Authority of India Limited are facing acute shortage of coking coal;

(b) if so, the reasons therefor;

(c) whether it s a fact that due to shortage of coking coal, production of steel in the above Steel Plants has fallen critically; and

(d) if so, the steps Government have taken/propose to take to procure the sufficient quantity of coking coal for the above Plants?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SONTOSH MOHAN DEV): (a) Yes, Sir. Shortage of indigenous coal and the resultant operational inconveniences are being felt in all steel plants of SAIL, including Bhilai and Bokaro Steel Plants.

(b) The shortage in indigenous coal availability is due to inadequate availability and Coal Companies' inability to match supplies with the increasing requirements of steel plants.

(c) No, Sir. Shortfalls in availability of indigenous coking coal is being overcome by SAIL through higher usage of imported coal and drawal from stocks.

(d) Regular and intensive monitoring of the coking coal availability at the Government level is being done and close interaction with Coal India Limited and Railway maintained to step up the production and movement of coking coal to match the steel plant requirements. Balance required quantities of coking coal are also being imported.

Demand and Supply of Steel

2407. SHRI KAMAL MORARKA: Will the Minister of STEEL be pleased to state:

(a) the demand and supply of steel in the country during the Seventh Plan;

(b) the quantity of steel imported during the above period and reasons therefor;

(c) the capacity utilisation in the major steel plants in the country during the Seventh Plan; and

(d) the steps taken to improve the steel production during the above period?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SONTOSH MOHAN DEV): (a) Estimated domestic demand and actual production of finished steel during 1989-90, the terminal year of the 7th Five Year Plan, was as follows :

Estimated demand . . .	14·98 million tonnes
Production	13·09 million tonnes

(b) During 1989-90, 1.47 million tonnes of finished steel was imported, to supplement the domestic production.

(c) Capacity utilisation for major steel plants in 1989-90, in terms of crude steel, was as follows:

TISCO	97%
SAIL PLANTS :	
Bhilai Steel Plant . . .	81%
Durga Steel Plant . .	74%
Rourkela Steel Plant . .	84%
Bokaro Steel Limited . .	66%
Indian Iron & Steel Co. .	92%
SAIL	76%

(d) Production of steel is sought to be increased through various measures, from time to time, to meet the increasing demand for steel in the country. These include, *inter alia*, the following :—

— Modernisation of steel plants and improved maintenance of Plant and equipment for achieving increased productivity;

— Monitoring of supply of inputs, particularly coal and power, to the steel plants for ensuring uninterrupted production;

— Allowing establishment of new plants of larger capacities in the private sector;

— The residual demand, particularly of specialised categories, will have to be met through imports.

Sub-Standard Coal for Steel Plants

2408. SHRI RAM JETHMALANI:
SARDAR JAGJIT SINGH AURORA:

Will the Minister of STEEL be pleased to state:

(a) whether Government's attention has been drawn to a news item published in the "Hindustan Times" dated 4th October, 1991 under the caption "Steel Units may have to cut down output";

(b) if so, whether it is a fact that the production of steel is likely to go down due to the use of Sub Standard Coal produced indigenously;

(c) whether it is also a fact that since April this year coal of inferior quality has been supplied by the nationalised collieries; and